

1. A method of interactive television wherein a video signal is generated based on user visual perception of video images comprising the steps of:

- forming ~~the~~ a video signal of ~~the~~ an entire frame of a video display and generating a video image or video signals of sectors of said video image sectors ~~the~~ with ~~one~~ substantially equal or different quality levels, in ~~the~~ a video signal formation facility component;
- converting ~~at least one~~ the video signal at least one time in ~~one~~ a video signal conversion facility component into a series of video signals of the sectors of the video image sectors and/or
- converting the level quality of the video image sectors, and/or
- changing internal boundaries of the video image,
- transmitting all said video signals via data channels, at least, to one conversion facility component and, to at least, ~~to~~ one information display facility component,
- forming a secondary video image on ~~the~~ a screen of the information display component facility, which is perceived, at least, by one user,
- determining resolution characteristics, ~~at least,~~ by employing at least one sensor at least for in operative communication with one eye of the user with respect to the video image formed by the information display component facility and perceived at an eye resolution by said one eye of said user, and
- employing data from said sensor to forming dynamically form signals coding characteristics, ~~at least,~~ based on said data from

said sensor for as to said eye resolution of at least said one
eye of the user,

- transmitting ~~the above~~ signals having said signal coding
characteristics to, at least ~~to~~ one computing component facility;

- generating an interrogation signals with said computing
component, taking into account ~~the function of~~ the eye
resolution, ~~that~~ communicated in the coding characteristics, said
interrogation signal containing information on the boundaries, at
least, in one sector of the video image and/or the quality
levels, at least, in one sector of the video image of the eye
resolution of at least ~~for siad~~ one eye, of said at least, one
user and, ~~at least~~

based on the eye resolution ascertained from, ~~one~~ a group of
users' eyes;

- transmitting said interrogation signals to at least to two
~~facilities for of the given~~ video signal formation components
~~facility~~, video signal conversion ~~facilities~~ components and
information displays ~~facilities~~ components, in which the
interrogation signal is taken into account with respective

- forming of video signals,
- converting of video signals and
- forming of a video image.

2. The method of claim 1, according to which the computing
~~facility component~~ generates an interrogation signal for a group
of users, which differs by the fact, that is a summarizing

interrogation signals for the users and/or groups of users taking part of the above group.

3. The method of claim 2, which differs by the fact, that summarizing interrogation signals coding external boundaries of video image sectors of ~~the~~ a similar quality level for each level of video image quality coded in a series of interrogation signals for a group of users; in this connection, for each interrogation signal the respective external boundary of the video image sector of each quality level comprises external boundaries of all video image sectors with indicated quality level.

4. The method of claim 2, which differs by the fact, that summarizing interrogation signals for the indicated users' group coding the quality level of video image for each sector of video image coded in a series of interrogation signals for a group of users; in this connection, the quality level of each sector of interrogation signal video image for a group of users is taken as having the highest quality level for the corresponding sector of video image of each interrogation signal of users or a group of users forming a part of the given group.

5. The method of claim 1, or claim 2 or claim 3 or claim 4, which differs by the fact, that forming series of video signals of the entire video image of high and low quality level of video image in the ~~facility of~~ video signal formation component, changing boundaries of each sector of video image in the video

signal conversion ~~facility~~ component except for the sector of video image of the highest quality level, such that the internal boundaries of the above sector correspond to the external boundaries of the video signal area with a higher quality level of video image with respect to the sector with variable boundaries.

6. The method of claim 5, which differs by the fact, that converting a video signal of the entire video image into a series of video signals with quality level of the video image, with the lower quality level of the video image of the initial video signal.

7. The method of claim 5 ~~or claim 6~~, which differs by the fact, that transmitting the video signal of the lowest quality level of video image via the data channels of data transmission ~~facility~~ component to every ~~facility~~ of information display component directly or via the ~~facility~~ of video signal conversion component, associated with the relevant information display ~~facility~~ component.

8. The method of claim 5 ~~or 6, or 7~~, which differs by the fact, that forming the video signal of the entire video image or sectors of the video image of low quality level in the video signal formation ~~facility~~ component, in this connection, identifying the value of the pixel of the video image of low quality level as the mean value of video signal pixels of high

quality level of the video image, forming a part of the video image sector, restricted with boundaries of the above pixel.

9. The method of claims 5 or ~~6, or 7, or 8~~, which differs by the fact, that converting the video signal into the low quality video signal in the ~~facility~~ of video signal conversion component, in this connection, determining the pixel value of video signal of low quality video image, as the value of one of pixels of the video signal of high quality level of video image, formed a part of video image section restricted with boundaries of the above pixel.

10. The method of claim 5 or ~~6, or 7, or 8, or 9~~, which differs by the fact, that forming a video signal of the first extended quality level in the ~~facility~~ of video signal formation component or in the ~~facility~~ of video signal conversion component respectively by the subtraction from the video signal of the first high quality level of the video signal of the basic quality level, whereas forming the video signal of the second and the further extended quality levels by the subtraction from the video signal of the relevant high quality level of the video signal with the quality level reduced with respect to it respectively; in this connection, the lowest level of video signal quality is the basic level of video signal quality in the conversion ~~facility~~ component of video signals connected with the information display ~~facility~~ component for every video signal,

summarizing video information of the relevant video signal and video information of all video signals with quality level lower than the stated quality level, except for an extended video signal corresponding to the highest quality level of video image within the limits between the external boundary of the above video signal and the external boundary of the video signal with high quality level with respect to the stated video signal; forming the video signal with a higher quality level by summing within the limits of the boundary of the assigned sector of video information of video signals of all quality levels.

11. The method of claim 10, which differs by the fact, that forming the video signal with the basic quality level in the ~~facility~~ of video signal formation component and is converted in the ~~facility~~ of conversion component into the standard video signal and is transmitted to the information display facilities of the users and/or a non-restricted group of users provided with standard information display facilities .

12. The method of claim ~~9, or 10~~, which differs by the fact, that determining the pixel of the video signal of the extended quality level of video image in the ~~facility~~ of video signal formation component or in the ~~facility~~ of video signal conversion component by subtraction of high quality level pixel of video image;

forming video signal pixel with basic quality level in the

~~facility~~ of video signal conversion component or the information display ~~facility~~ component and video signal pixel of high quality level of the video image by way of summing the video signal pixel of the extended quality level and the video signal pixel of the quality basic level.

13. Method of any claims 6 ~~or 9 or 10~~, which differs by the fact, that determining the video signal pixel of basic quality level in the ~~facilities of~~ video signal formation component or video signal conversion component as equal to the video signal pixel of high quality level forming a part of video signal pixels of high quality level of video image sector, included into video image sector, restricted with boundaries of the above video signal pixel of the basic quality level; determining the other pixels by way of subtraction of video signal pixels with basic quality level from the pixels of high quality level, determining video signal pixel of high quality level in the facilities of video signal conversion or information display as corresponding to video signal pixel of the basic level; forming the other video signal pixels of high quality level included in the video image sector restricted with the boundaries of the pixel of the relevant video signal of the basic quality level by way of summing the relevant video signal pixels of the extended quality level and the relevant video signal pixel of the basic quality level.

14. The method any of claims 1 ~~—13,~~ which differs by the fact, that scanning the screen with an electronic ray in the data display ~~facility~~ component using the CRT, transmitting video signals coding boundaries of the sector of extended video image to the electron gun to the ~~facility~~ component of sector output control at the entry of the electronic ray into the sector area with the other quality level, to the control ~~facility~~ component of the image sector output with control signal delivery to the change of the size of the luminous spot on the CRT screen to the size corresponding to the size of a pixel of video image of video image sector.

15. The method of claim 6 ~~or 10,~~ which differs by the fact, that recording converted video signals of low or basic quality level previously on video signal medium, displaying the video signal of low or basic quality level synchronously with produced video signals of high or extended quality level accordingly.

16. (New) The method of **claim 6** which differs by the fact, that transmitting the video signal of the lowest quality level of video image via the data channels of data transmission ~~facility~~ component to every ~~facility~~ of information display component directly or via the ~~facility~~ of video signal conversion component, associated with the relevant information display ~~facility~~ component.

17. The method of claim **6**, which differs by the fact, that forming the video signal of the entire video image or sectors of the video image of low quality level in the video signal formation ~~facility~~ component in this connection, identifying the value of the pixel of the video image of low quality level as the mean value of video signal pixels of high quality level of the video image, forming a part of the video image sector, restricted with boundaries of the above pixel.

18. The method of claim **7**, which differs by the fact, that forming the video signal of the entire video image or sectors of the video image of low quality level in the video signal formation ~~facility~~ component, in this connection, identifying the value of the pixel of the video image of low quality level as the mean value of video signal pixels of high quality level of the video image, forming a part of the video image sector, restricted with boundaries of the above pixel.

19. (New) The method of claim **10**, which differs by the fact, that determining the pixel of the video signal of the extended quality level of video image in the ~~facility~~ of video signal formation component or in the ~~facility~~ of video signal conversion component by subtraction of high quality level pixel of video image;
forming video signal pixel with basic quality level in the ~~facility~~ of video signal conversion component or the information display ~~facility~~ component and video signal pixel of high quality

level of the video image by way of summing the video signal pixel of the extended quality level and the video signal pixel of the quality basic level.

20. (New) Method of any claims 10 which differs by the fact, that determining the video signal of basic quality level in the fvideo signal formation component or video signal conversion component as equal to the video signal pixel of high quality level forming a part of video signal pixels of high quality level of video image sector, included into video image sector, restricted with boundaries of the above video signal pixel of the basic quality level; determining the other pixels by way of subtraction of video signal pixels with basic quality level from the pixels of high quality level, determining video signal pixel of high quality level in the facilities of video signal conversion component or information display component as corresponding to video signal pixel of the basic level; forming the other video signal pixels of high quality level included in the video image sector restricted with the boundaries of the pixel of the relevant video signal of the basic quality level by way of summing the relevant video signal pixels of the extended quality level and the relevant video signal pixel of the basic quality level.

21. (New) The method of claim 10 which differs by the fact, that recording converted video signals of low or basic quality level previously on video signal medium, displaying the video signal of low or basic quality level synchronously with produced video signals of high or extended quality level accordingly.

SECTION 102 OBJECTIONS

The examiner has rejected claims 1-6 per 35 USC §102(B) per the published application of Lazon (2003/00336996).

"Anticipation requires the presence in a single prior art reference disclosure of each and every element of the claimed invention, arranged as in the claim." *Lindemann Maschinenfabrik GmbH v. American Hoist & Derrick Co.*, 221 USPQ 481, 485 (Fed. Cir. 1984)

The Examiner indicates that Lazon has all the elements of applicant's claim 1.

The cited art of Lazon is for a one-time employment of a borrower seeking a mortgage loan.

Applicant's device is a connection between providers and a borrower, that is ongoing, and employs a mediator over a public network between a borrower and a lender (creditor block). It interconnects, over a transmission channel, a mediator with at least one lender (creditor block) and/or at least one client, and/or at least one bank block. The Bank Block is connected with the lender (creditor block) and/or at least one client block. The Client block, is connected over the public network with the at least the one lender (creditor).

As indicated in the specification, and abstract, the device is an internet based system and method for mediation of financial loans, purchasing goods and providing services between consumers and providers which employs a mediator therebetween. The system employs a public communication network such as the Internet, to *interconnect* at least one mediator, between at least one creditor, and a client. The system provides verification of client identity through the *mediator*, communication of loan terms from the creditor through the mediator to a client, and using the

bank block (4) which interconnects at least the one creditor block and the one client block, and with the client block, interconnected over the transmission channel, with the at least one creditor block. Accounting of each party's ongoing financial interests via software resident on a bank or other financial institution's computer (bank block).

The system thereby provides clients seeking financial surfaces or goods access to providers thereof over the public network through the mediator and a subsequent accounting for all three parties' mutual interests employing software adapted to the task running on a mutually accessible computer or server (bank block in figures 1-4).

The cited art is to allow a borrower to self-check their credit and ascertain their standing (paragraph 25) and then allow the borrower (paragraph 27-28) to independently ascertain the credit score and then allow the borrower to directly negotiate with a lender (creditor) based on knowing their score.

The cited art at paragraph 34, states that the borrower after receiving their credit score, loan approval or loan pre-approval, the borrower, (not a mediator) can go to negotiate a loan on his or her own behalf with any mortgage originator(s) that may financially benefit by packaging and/or funding the borrower's loan. See block 214.

In the cited art, the borrower is communicating with the lender for a loan, not the mediator.

There is no ongoing transmission channel, having an ongoing connecting, between least one creditor's block connected to at least one client's block (3) and at least one bank block, further

there is no bank block which is from one side, concurrently interconnected through the transmission channel, with at least one creditor block and/or at least one client block (3), and also having the client block (3) connected through the transmission channel (6) with the at least one creditor block (2).

As to claim 2, the cited paragraph of (34) indicates the lender (creditor) will "likely" make any financing subject to verification of the loan application information.

However, "likely" does not indicate how or who or what will provide a verification. In claim 2, the client's block (3) is connected through the transmission channel (6) with a verifying block (5) and the verifying block (5) is connected through the transmission channel (6) the creditor's block (2) and/or at least one bank block (4) and/or at least one mediator block (1).

Thus there is a communication channel, having a verification process, that verifies the borrower identity to the creditor (lender) and/or the bank block (which as noted above is already interconnecting the lender (creditor block) and/or at least one client block), and/or to the mediator block.

The cited art, "likely" in some unknown fashion, will have the lender (creditor) somehow verify some information on the credit application. There is no interconnection channel, linking the lender (creditor) and a separate bank, and/or a separate mediator to the verification process. In fact, it is unclear exactly how the cited art, is communicating with the lender, or what the lender is looking to verify.

Thus, claims 1 and 2 have elements of communication channels concurrently communicating parties, the ongoing channel and

multiple connections and parties being lacking from the cited art. As such the objection to claims 1-2 are respectfully traversed.

With regard to claims 3-4, applicant claims a connection of internet system, for mediation of financial loans. The system connects through the transmission channel (6) with at least one Lender (creditor's block) (2) and/or at least one bank (bank block (4), and/or at least one provider's block (8) a and/or at least one security block (9) and/or at least one external block (7) and/or at least one borrower's (clients block) (3).

The client's block (3) is connected through the transmission channel (6) with at least one verifying block (5), which is connected through the transmission channel (6) with at least one Lender or creditor's block (2) and/or at least one provider's block (8), and/or at least one mediator's block (1).

Nowhere in the cited art, does it teach or suggest this connection or transmission channel, which interconnects the lender, a bank, a provider, a security block, an external block, and the borrower. Neither does it provide a connection channel between the client, and a verifying block, and, having the verifying block connected across the channel with the lender, and/or the provider, and/or the mediator. The multiple parties all connect across the channel in applicant's device and the cited art at best links a lender and the client and maybe one third party.

Lacking the communication channel with the connections of applicant's device, the objections to claim 3-4 are respectfully traversed.

Regarding the objections to claims 5-6, the cited are lacks the communications channel, which links the client's block (3) with at least one provider's block (1), and is also connected through the transmission channel (6) with at least one verifying block (5), with the verifying block being connected through the transmission channel (6) with at least one provider's block (1), and with the provider's block (1) being connected through the transmission channel (6) with at least one bank block (1), and with the bank block (1) being connected through the transmission channel (6) with the client's block (3).

There is no such concurrent linking over a communications channel of all the noted entities.

Lacking elements of applicant's invention, the objection to claims 5-6 are respectfully traversed.

Final Remarks

Applicant's application claims a communications channel, over a public network, concurrently linking many players and suppliers in the loan process to a borrower, before and after the loan is made.

However, even if the Examiner does not consider Applicant's claimed communications channel a great advance, it has been established that one should not be deprived of patent protection where it can be shown that a genuine improvement has been made, on comparison with other intentions in the art, *even if the improvement lacks the appearance of a great advance in the art.*

In re Lange, 128 USPQ 365, the CCPA on page 367 states that: "We think that the present application is a distinct improvement of Jezalik and represents an advance in the art not obvious, having patentable novelty. The art is a crowded and comparatively simple one and in such an art, great advances are not to be expected. *However patentability will not be denied to an invention which accomplishes a small, but nevertheless genuine improvement not though of by others..*"

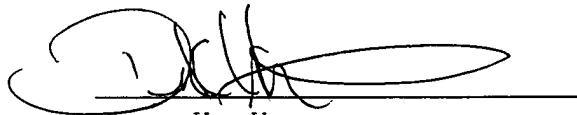
Further, the CCPA in the case of re Meng and Driessen, 181 USPQ 94, on page 97, reiterated the principal that even though the invention seems a simple advance over prior art, *after the fact, simplicity, argues for, rather than against patentability.*

Considering that Applicant's communications channel for facilitating initial and ongoing communications between borrowers, banks, and lenders and third parties, has elements neither taught or suggested in the cited prior art, and,

considering that even minor improvements in the art, argue for patentability, the remaining claims of the patent should now be allowable.

Should the Examiner have any further questions or concerns the Examiner wishes to address by Examiner's amendment by telephone or otherwise, or should the Examiner have suggestions to more clearly define the subject matter of the claims to more clearly define the patentable subject matter, the Applicant's attorney would be most receptive to such.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Donn K. Harms', is written over a horizontal line.

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